

Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 00711 141107Z

44

ACTION EA-09

INFO OCT-01 ISO-00 OES-03 XMB-02 EB-07 COME-00 TRSE-00

CIAE-00 DODE-00 INR-07 NSAE-00 PA-01 USIA-06 PRS-01

SP-02 ERDA-05 FEAE-00 NRC-05 AID-05 /054 W

----- 090814

R 140906Z JAN 76

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 1178

LIMITED OFFICIAL USE MANILA 0711

E.O. 11652: N/A

TAGS: ENRG, RP

SUBJECT: GO SIGNAL FOR NUCLEAR POWER

REF: 75 MANILA 18004

1. PRESIDENT MARCOS HAS ORDERED CENTRAL BANK GOVERNOR LICAROS TO GO AHEAD WITH FINANCING OF UNGUARANTEED PORTION OF COMMERCIAL LOAN FOR NUCLEAR POWER PROJECT AS WELL AS BALANCE OF PAYMENTS LOAN. THIS DECISION WAS REACHED YESTERDAY MORNING AT MALACANANG ACCORDING TO MR. JOSE DE CUBIS, FORMER PRESIDENT OF WESTINGHOUSE INTERNATIONAL AND PRESENTLY A CONSULTANT WITH KUHN-LOEB INVESTMENT HOUSE.

2. MR. DE CUBIS CALLED ON AMBASSADOR SULLIVAN THIS DATE TO RELATE RESULTS OF THAT MEETING WHICH HE ATTENDED. HE SAID THE PHILIPPINES WILL SEEK ALL 250 MILLION DOLLARS (SEE REFTEL) OF THE COMMERCIAL LOAN FOR THE NUCLEAR POWER PLANT PLUS 400 MILLION DOLLARS FOR A BALANCE OF PAYMENTS LOAN SIMULTANEOUSLY. (EMBASSY HAS HEARD RUMORS OF ANYWHERE FROM 150 MILLION TO 700 MILLION FOR BOP LOAN). THE SYNDICATIONS WILL PROBABLY GO TO THE MARKET IN MID-FEBRUARY WITH CITIBANK THE LEAD BANK FOR THE NUCLEAR PROJECT AND MANUFACTURERS HANOVER TRUST THE LEAD BANK FOR THE

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 00711 141107Z

BALANCE OF PAYMENTS LOAN.

3. MARCOS MADE IT CLEAR IN THE MEETING, ACCORDING TO DE CUBIS, THAT HE WANTED THE NUCLEAR POWER PROJECT TO GO AHEAD QUICKLY AND WITHOUT HITCHES. TO THIS END HE NAMED UNDERSECRETARY OF INDUSTRY GABRIEL ITCHONG ACTION OFFICER FOR THE PROJECT, INDICATING THAT THE BIG THREE, VIRATA, LICAROS, AND PATERNO, WERE ALL TOO OCCUPIED TO DEVOTE THE EFFORT HE EXPECTED TO THIS PROJECT. DE CUBIS SAID PATERNO IS STILL VERY MUCH AGAINST THE NUCLEAR PROJECT BUT THAT HE HAS BEEN OVER-RULED. PATERNO COMMENTED AT THE MEETING THAT THE STEEL MILL AND THE BLAST FURNACE PROJECT, (TO BE CO-LOCATED WITH KAWASAKE IRON ORE SINTERING PLANT NEAR CAGAYAN DE ORO IN MINDANAO) WILL NOW HAVE TO BE DEFERRED.

4. LEN SABOL, LOCAL REPRESENTATIVE FOR WESTINGHOUSE, WHO ACCOMPANIED DE CUBIS IN HIS CALL ON THE AMBASSADOR, SAID THAT HE HAD BEEN FORMALLY NOTIFIED BY THE NATIONAL POWER CORPORATION YESTERDAY AFTERNOON THAT IT WILL CONSUMMATE ITS CONTRACT WITH WESTINGHOUSE WITHIN THIRTY DAYS UNQUOTE.

5. DE CUBIS SAID THAT MALACANANG EXPECTS TO MAKE AN OFFICIAL ANNOUNCEMENT OF THIS DECISION ON JANUARY 21. IN THE MEANTIME, THE EMBASSY WILL BE SEEKING CONFIRMATION OF THE ABOVE INFORMATION AND WILL BE REPORTING ON THE OFFICIAL ANNOUNCEMENT WHEN IT OCCURS.
SULLIVAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LOANS, NUCLEAR POWER PLANTS, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 14 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MANILA00711
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760013-1047
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760159/aaaabzwy.tel
Line Count: 89
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 MANILA 18004
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 07 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 JUN 2004 by greeneet>; APPROVED <08 JUN 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GO SIGNAL FOR NUCLEAR POWER
TAGS: ENRG, RP, CENTRAL BANK
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006